



FY 2018 First Quarter Earnings Supplemental Information

August 10, 2017

Forward-Looking Statements



Certain statements in this presentation and other oral and written statements made by Vista Outdoor from time to time are forward-looking statements, including those that discuss, among other things: Vista Outdoor's plans, objectives, expectations, intentions, strategies, goals, outlook or other non-historical matters; projections with respect to future revenues, income, earnings per share or other financial measures for Vista Outdoor; and the assumptions that underlie these matters. The words 'believe', 'expect', 'anticipate', 'intend', 'aim', 'should' and similar expressions are intended to identify such forward-looking statements. To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995.

Numerous risks, uncertainties and other factors could cause Vista Outdoor's actual results to differ materially from expectations described in such forward-looking statements, including the following: general economic and business conditions in the U.S. and Vista Outdoor's other markets, including conditions affecting employment levels, consumer confidence and spending, the conditions in the retail environment, and other economic conditions affecting demand for our products and the financial health of our customers; Vista Outdoor's ability to attract and retain key personnel and maintain and grow its relationships with customers, suppliers and other business partners, including Vista Outdoor's ability to obtain acceptable third party licenses; Vista Outdoor's ability to adapt its products to changes in technology, the marketplace and customer preferences, including our ability to respond to shifting preferences of the end consumer from brick and mortar retail to online retail; Vista Outdoor's ability to maintain and enhance brand recognition and reputation; reductions, unexpected changes in or our inability to accurately forecast demand for ammunition, firearms or accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant customers, including unexpected cancellations, delays and other changes to purchase orders; supplier capacity constraints, production disruptions or quality or price issues affecting Vista Outdoor's operating costs; Vista Outdoor's competitive environment; risks associated with compliance and diversification into international and commercial markets; the supply, availability and costs of raw materials and components; increases in commodity, energy and production costs; changes in laws, rules and regulations relating to Vista Outdoor's business, such as federal and state firearms and ammunition regulations; Vista Outdoor's ability to execute its long-term growth strategy, including our ability to complete and realize expected benefits from acquisitions and integrate acquired businesses; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; foreign currency exchange rates and fluctuations in those rates; the outcome of contingencies, including with respect to litigation and other proceedings relating to intellectual property, product liability, warranty liability, personal injury and environmental remediation; risks associated with cybersecurity and other industrial and physical security threats; capital market volatility and the availability of financing; changes to accounting standards or policies; and changes in tax rules or pronouncements.

Vista Outdoor undertakes no obligation to update any forward-looking statements. For further information on factors that could impact Vista Outdoor, and statements contained herein, please refer to Vista Outdoor's filings with the Securities and Exchange Commission, including the company's annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q and current reports on Form 8-K filed with the U.S. Securities and Exchange Commission.

First Quarter Highlights



□ First Quarter

- Sales of \$569 million
- Fully-diluted earnings per share of \$0.29
- Adjusted fully-diluted* earnings per share of \$0.24
- FCF* of \$23 million

□ Reaffirms FY18 Guidance

- Sales of \$2.360- \$2.420 billion
- Interest expense of ~\$50 million
- Tax Rate ~37%
- Adjusted fully-diluted* earnings per share of \$1.10 - \$1.30
- Capital expenditures of ~\$70 million
- Free Cash Flow* of \$175 – 200 million

* Non-GAAP financial measure. See reconciliation table for details.

Outdoor Products



(\$ millions)	First Quarter		
	FY18	FY17	YoY Change
Sales	\$290	\$287	0.9%
Gross Profit	\$77	\$82	(6.4)%

First Quarter Highlights

- Sales increase driven by:
 - Impact of Camp Chef acquisition
 - Organic sales down 6.5% driven by decreases across most product lanes, including the impact of increased promotional activity
- Gross profit decrease:
 - Organic profit down 13.5% due to lower organic sales across most product lanes, increased promotional activity and unfavorable product mix
 - Partially offset by impact of Camp Chef acquisition and cost reduction initiatives



Shooting Sports



	First Quarter		
(\$ millions)	FY18	FY17	YoY Change
Sales	\$279	\$343	(18.7)%
Gross Profit	\$70	\$91	(22.6)%

First Quarter Highlights

- Sales decrease driven by:
 - Lower demand across all product lanes
- Gross profit decrease:
 - Lower sales volume
 - Sales programs and unfavorable product mix



FEDERAL PREMIUM AMMUNITION





- ❑ First quarter versus prior-year quarter
 - Operating expenses were \$107 million. Adjusted operating expenses* were \$112 million compared to \$114 million, decrease driven by cost-cutting initiatives, partially offset by operating expenses generated from Camp Chef.
 - Tax rate was 38.2 percent. Adjusted tax rate* was 38.4 percent, compared to 36.9 percent, primarily due to lower stock-based compensation deductions.
 - Interest expense was approximately \$12 million flat, with prior year, due to a higher balance and borrowing rate, offset by absence of a one-time deferred finance charge write-off in prior year.

* Non-GAAP financial measure. See reconciliation table for details.

FY 2018 Outlook



FY 2018 Guidance

Sales	\$2.36 – \$2.42 billion
Interest expense*	~\$50 million
Tax Rate	~37%
Adjusted Earnings per Share**	\$1.10 – \$1.30
Capital Expenditures	~\$70 million
Free Cash Flow**	\$175 - \$200 million

* Includes amortization of financing costs

** Non-GAAP financial measure. See reconciliation table for details



Appendix

- Reconciliation to GAAP Measures

Non-GAAP Financial Measures



Gross Profit, Operating Profit, and Earnings Per Share

The adjusted gross profit, operating expenses, operating profit (adjusted EBIT), adjusted tax rate, and adjusted earnings per share (adjusted EPS) presented below are non-GAAP financial measures. Vista Outdoor defines these measures as gross profit, operating profit (EBIT), tax rate, and EPS excluding, where applicable, the impact of costs incurred for current and possible transactions, pension curtailment, change in value of future payments of contingent consideration, transition costs for the Action Sports acquisition, and acquisition inventory step-up. Vista Outdoor management is presenting these measures so a reader may compare gross profit, EBIT, tax rate, and EPS excluding these items, as the measures provide investors with an important perspective on the operating results of the company. Vista Outdoor management uses this measurement internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

Quarter ended July 2, 2017:							
	Gross Profit	Operating Expenses	Operating Profit	Income Tax	Income Tax Rate	Net Income (Loss)	EPS
As reported	\$ 146,558	\$ 107,217	\$ 39,341	\$ 10,296	38.2%	\$ 16,652	\$ 0.29
Pension curtailment	—	5,783	(5,783)	(2,154)		(3,629)	(0.06)
Contingent consideration	—	(843)	843	314		529	0.01
Transaction costs	—	(84)	84	31		53	—
As adjusted	\$ 146,558	\$ 112,073	\$ 34,485	\$ 8,487	38.4%	\$ 13,605	\$ 0.24
Quarter ended July 3, 2016:							
	Gross Profit	Operating Expenses	Operating Profit	Income Tax	Income Tax Rate	Net Income	EPS
As reported	\$ 171,377	\$ 112,275	\$ 59,102	\$ 18,015	38.2%	\$ 29,124	\$ 0.48
Contingent consideration revaluation	—	3,396	(3,396)	(1,274)		(2,122)	(0.04)
Transaction and transition costs	—	(2,002)	2,002	130		1,872	0.03
Inventory step-up	817	—	817	310		507	0.01
As adjusted	\$ 172,194	\$ 113,669	\$ 58,525	\$ 17,181	36.9%	\$ 29,381	\$ 0.48

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Gross Profit, Operating Profit, and Earnings Per Share

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Outdoor Products

Quarter ended July 3, 2016:

	Gross Profit
As reported	\$ 80,897
Inventory step-up	817
As adjusted	\$ 81,714

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Free Cash Flow

Free cash flow is defined as cash provided by operating activities less capital expenditures and excluding transaction and transition costs net of taxes incurred to date. Vista Outdoor management believes free cash flow provides investors with an important perspective on the cash available for debt repayment, share repurchases and acquisitions after making the capital investments required to support ongoing business operations. Vista Outdoor management uses free cash flow internally to assess both business performance and overall liquidity.

	Three months ended July 2, 2017	Three months ended July 3, 2016	Projected year ending March 31, 2018
Cash provided by operating activities	\$ 38,909	\$ (22,158)	\$244,947–\$269,947
Capital expenditures	(16,430)	(21,006)	~(70,000)
Transaction and transition costs paid to date, net of tax	53	2,419	53
Free cash flow	\$ 22,532	\$ (40,745)	\$175,000–\$200,000

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Adjusted Earnings Per Share – Guidance Reconciliation Table

The projected adjusted earnings per share (EPS), excluding the impact of costs incurred for current and possible transactions, changes in value of future payments of pension curtailment and contingent consideration, is a non-GAAP financial measure that Vista Outdoor defines as EPS excluding the impact of these items. Vista Outdoor management is presenting this measure so a reader may compare EPS, excluding these items, as this measure provides investors with an important perspective on the operating results of the company. Vista Outdoor management uses this measurement internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

Current FY18 Full-Year Adjusted EPS Guidance				
	Low		High	
EPS guidance including pension curtailment, contingent consideration revaluation, and transaction costs incurred to date	\$	1.15	\$	1.35
Pension curtailment		(0.06)		(0.06)
Contingent consideration		0.01		0.01
Adjusted EPS guidance	\$	1.10	\$	1.30